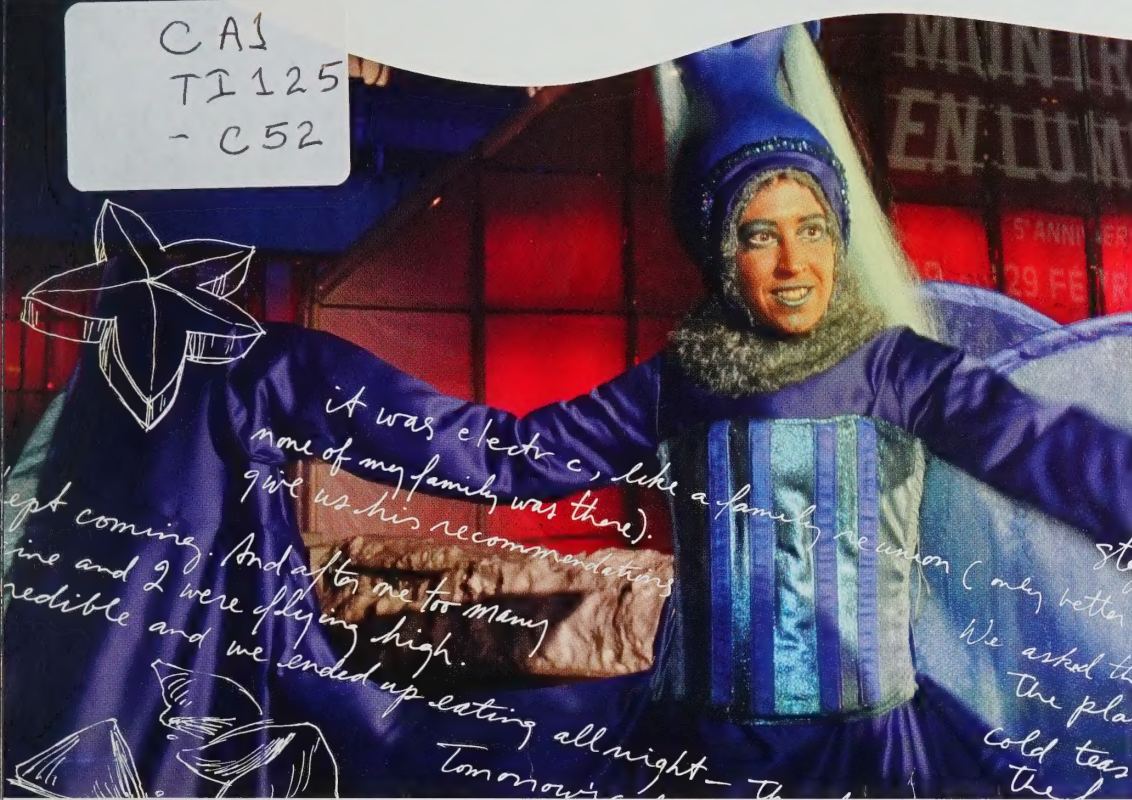




# tourism

Canada's tourism business magazine

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**Blue Sky:** a giant leap  
for tourism

**CTC** unveils new  
visual identity

**Building** on the  
china potential

**Ontario:** destination  
for Quebecers

©Montréal High Lights Festival, Jean-François Leblanc

january | february 2007 volume 11, number 1

## Tourism is all about experiences

The exercise of re-branding Canada has placed the emphasis on being a more compelling destination, where visitors can find the experiences they seek in a vibrant Canada. The foundation for this has been laid, and a new, consumer-centric approach to marketing is falling into place, using leading-edge e-commerce tools to help measure our success and gauge our markets. Canadian Tourism Commission (CTC) president and CEO Michele McKenzie took time at the beginning of the year to talk about some of the CTC priorities in 2007 and beyond:

The time has come to be talking about experiences, and about how industry leverages the Canada Brand. After all, we at the CTC could be the most brilliant marketers in the world but we are still not the ones who deliver anything at all to consumers! While we have been focused on explaining the results of our research and on refreshing Canada's tourism brand, it is in the industry's hands to create and deliver the experiences that bring it all to life.

Everyone in this business needs to be aware of, and understand, the motivational drivers of the clientele they are targeting: why do travellers choose destinations in the first place? People are looking, perhaps, for escapism, or affinity, or any number of other motivators, and it's a matter of providing assurance to the potential customer that Canada can deliver experiences matching their desires.

For starters, I think everyone in the industry realizes people don't come to Canada just to stay in hotel rooms. I am not so sure, however, we have all agreed on why, indeed, they do come to Canada. We saw evidence of this when we started to work on refreshing the Canada Brand: in many circles there was a consensus that people came here to look at geography. However, our research clearly shows that – while our geography (or more properly our topography, our scenery) will always be one of Canada's strengths – it's not enough. Pure and simple, being a beautiful, safe country is not a compelling motivator for travel anymore, given the way competing destinations are coming on.

Getting a handle on just what does motivate travellers is a big part of the work we have been doing. Canada's image in the world is very positive; our challenge is turning that positive image into a compelling travel proposition. While industry has always understood that – by definition almost – it is the deliverer of experiences, I don't know if there has been enough understanding of how to package those experiences differently for different audiences. This is the key, and I feel that industry leaders who "get it" – who figure out how to refresh, package and deliver their products to appeal to the new markets – will be able to forge ahead, and stand a good chance of leaving others in their dust!

## Domestic market helps sustain tourism growth

According to the January 2007 edition of the Conference Board of Canada's *Tourism Intelligence Bulletin*, a strong performance from the domestic travel market enabled the Canadian tourism industry to finish 2006 with another year of positive growth, building on the solid gains achieved in 2005 despite Canada's international markets falling short of expectations. The strength of the domestic market was especially apparent in the Canadian airline industry, which benefited from the significant expansion of domestic air travel demand. Domestic travellers also helped buoy the accommodations industry in 2006.

The October 2006 Travel Intentions Survey by the Canadian Tourism Research Institute indicated that nearly 47% of the Canadians polled intended to take a winter vacation between November 2006 and April 2007, up from 33% a year earlier. Those planning to stay in Canada for their longest trip rose to 20%, up from 12.4% in 2005.

The pace of growth in Canadian business travel is expected to level off slightly this year, according to a recent forecast by the Canadian Alliance of Business Travel. Most of the companies surveyed anticipated their travel expenditures will increase although fewer expected their trip volumes to increase.

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## Think not why, but what to do

If the last ten year's worth of discussion about climate change made your eyes glaze over, and if a few chilly days in November made you scoff at the discussions about global warming, you could be forgiven. After all, even the credible scientists have been far from clear, and they certainly haven't been helped in their deliberations on the topic by a hyper-imaginative public that includes a ratings-hungry media as well as lobbyists from each side of the issue.

But then there came the winter of 2006/2007. By the time this issue of *TOURISM* gets into the hands of our readers, the wind and wild weather on the west coast may have died down a little, and folks in central Canada may finally have put away their golf clubs for the winter. Nonetheless, this has become the year of the wake-up call for Canadians: climate change is, indeed, a reality, and its current manifestation is global warming.

We have read, heard, and seen all manner of discussion about why this happens, ranging from "oh well, stuff happens" to "the world will only be safe when the folks in Saskatchewan sell their gas-guzzling trucks and ride their bicycles to work in January." Indeed, solutions to the "why" are already being posed for the travel industry. Some green (and supremely opportunistic) organizations in Britain are suggesting tourists should purchase carbon credits to offset the impact of burning jet fuel. (The money goes to plant trees, apparently; we'll wait with baited breath to see the environmental efficiency of this "solution"!)

Despite all the good (or bad) efforts out there to turn things around, climate change will be with us forever and the trend to global warming will apparently be with us for a long time. And that, exactly, is where tourism businesses and destination planners need to focus. Just how are warmer temperatures and less predictable weather in general going to affect the experiences we promise our customers?

At the moment, the most vulnerable operations appear to be winter sports, especially skiing and boarding. This year, it's not pleasant to be an owner – or an employee – of places like Blue Mountain in Ontario, which has been closed for lack of snow at time of writing. The Alberta ski resorts are having a better year, but year-over-year, the mountain glaciers are receding and the temperatures are going up.

And it's not just winter tourism products that are being affected. For example, water levels on the Great Lakes are consistently down. Last September, the passenger ship *MS Columbus* was unable to dock at Sault Saint Marie because of the low water on the St. Mary's River.

It behoves every operator, and every destination, to spend some time and thought on how to adjust to a changing operating environment. Certainly, let's think about what we can do to prevent our activities from compounding the problem, but we in the tourism industry can't fix that all on our own; business-wise, we have to learn how to cope with the results. †

## To the editor

### Publisher's Note

Letters may be edited for length and content. For complete texts visit *TOURISM* Online at [www.canadatourism.com](http://www.canadatourism.com).

## Hunters, fishers, are tourists too

*I receive TOURISM regularly and enjoy it very much; it is good to see a publication devoted to the trends affecting our important industry.*

*It seems to me, however, that you seldom pay attention to one area of tourism that is a large component of the Canadian tourism picture – fishing and hunting – and the one region where this type of tourism is of huge importance: north-western Ontario. A study called The Economic Impact of Tourism In Sunset Country (PKF Consulting in conjunction with the Canadian Tourism Research Institute, 2003) noted there were 2.6 million person/visits to this region in 2001, 1.14 million by US visitors alone. More than 520,000 US visitors crossed just at two small border crossings, Fort Frances and Rainy River, Ontario. This produced \$451 million in economic activity, \$165 million in federal and provincial taxes and created 12,000 full-year jobs.*

*When I look at the national figures for tourism you publish each issue it makes me appreciate how much of that tourism pie, especially the American portion, comes from north-western Ontario. I don't have 2005 statistics for our region and while I know they are down from previous years I think the comparison with our 2003 stats are valid enough to show the overall picture. Your 2005 Snapshot showed there were 12.4 million US leisure visitors to the country. If 520,000 came through Fort Frances and Rainy River crossings as in 2003, that would be 4% of the total. And since US visitors come to our region from other border crossing such as Pembina, Manitoba and Pigeon River (near Thunder Bay), even with the decline in US tourists the last couple of years we very likely still got 520,000 visitors.*

*So to put this in perspective, nearly one of every 25 US visitors to Canada in 2005 came to one region of North-western Ontario to go fishing and hunting. This is very significant; I would hope the CTC takes note of this and targets its advertising and public relations campaigns toward areas where we draw our tourists: mainly the US Midwest and northern border states.*

*Thank you and keep up the good work.*

Dan Baughman  
Bow Narrows Camp  
Red Lake, Ontario

## tourism

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### ON THE COVER:

An event of international caliber, involving Montréal's main theatres, orchestras, dance troupes and museums, as well as the city's finest restaurants and hotels, the Montréal High Lights Festival heats up the winter with the best Montréal has to offer in the way of performance, culinary, lighting and visual arts.  
**February 22 2007 – March 04 2007**

## Write to us, it's so easy!

At *TOURISM*, we strive to provide you with information about tourism industry issues you want – and need – to know about. Is there more? Is there something you want to read about? Is there something you would like us to investigate?

Write to us, it's so easy!  
E-mail: [tourism@ctc-cct.ca](mailto:tourism@ctc-cct.ca),  
or call 604-638-8342.



The same product can be presented as a variety of different experiences – and marketed and delivered accordingly. For example, if someone is in the business of providing boat cruises as a mainstream product, and operates in a part of the country where there is a strong Aboriginal heritage, there is an opportunity to bring the history and the authenticity of First Nations culture to the customer through presentation and interpretation. This delivers a very different experience to the customer, although the core product remains the same.

Making these adjustments cannot be done effectively, from a return on investment standpoint, without the benefit of solid and up-to-date information. In 2007 the CTC will begin delivering this kind of information to the industry based on the Explorer Quotient (EQ) concept which identifies explorer “types” market by market. The EQ tool we are developing (and which we are discovering is a lot more powerful than we at first even dreamed) provides an understanding of which explorer types will resonate best in which markets. This way we can give clear advice about how to package existing products to better appeal to those customers.

It is worth reflecting that – when it comes to developing product – industry has been remarkably attuned to emerging market realities, consistently adapting to new opportunities. Canada’s tourism industry is extraordinarily innovative, so one of the best things we at the CTC can do, to guide the industry moving forward, is highlight practices that

are really working to broaden and strengthen our product offering.

The way forward is perfectly clear. When we put the “right” experiences in front of consumers, packaged with those assets for which our country is so well known, we have the perfect storm, in a very positive way: “I want a top-level spa experience; I can get what I want in Canada, and I hear it’s such a beautiful friendly place.” This is the “path to purchase” that works!

For Canada, what does *not* work is debating endlessly the things we call barriers to tourism. Our US research tells us that very few of the things we thought might be an issue, like gas prices and currency rates, are even on the consumers’ radar except possibly in the immediate vicinity of the international boundary. Once you get away from the border, all the issues affecting travel to Canada are competitive issues, and if we don’t address this, we’re not going to solve the problem. Happily, I believe, there truly is an industry-wide consensus about what the real issues are, so let’s stay focused on the things that will make us a more competitive destination!

And of course, let us not forget the Olympic advantage. The timing is so right! We have this huge opportunity to use the 2010 Winter Games to leverage our new *Canada. Keep Exploring* brand, telling the stories of our country, from coast to coast to coast. Whenever we have an international media event like the Games, or Québec 400 is another example, we need to be pursuing the opportunity. At the CTC, we are diligently doing exactly that, focusing on the media



to prepare stories which will intrigue people and compel them to travel to Canada in the future.

I look forward to a very exciting time. The tourism industry has weathered a number of severe shocks, and the competitive environment has changed dramatically, but Canada is better prepared than ever to face the future. We have a new and carefully thought-out brand, but much more than that, we have an industry that is quickly adapting to new opportunities. And, I am pleased to say we have the tools in place to help the industry make it all happen. I foresee a convergence of all the best things Canada has to offer!

*Michele McKenzie is President and CEO of the Canadian Tourism Commission. †*

## Blue Sky: a giant leap for tourism

by Debra Ward

Transport Minister Cannon’s Blue Sky policy is simple. In essence, it makes it easier for more scheduled and all-cargo carriers to fly to Canada from more countries, with fewer restrictions.

Until now, carriers were the “first among peers”. Bilateral negotiations were driven to a large degree – and some would argue solely – by what was good for Canadian airlines. It was one thing when the carriers were either government-owned or highly regulated; it’s quite another when the government ends up negotiating in the interest of one group of privately-owned companies.

That has changed. The government has finally acknowledged that carriers are not the only group that have a vested interest in foreign air rights negotiations. Other government departments (e.g. economic development, international trade) have a stake. Export industries have a stake. Of course, tourism has a stake. The government has committed to consulting “more broadly” than in the past, but if and how that will translate into influence is an open question. Nevertheless, they have opened the door, and we have to march in.

Under Blue Sky, airports will now be consulted directly, along with airlines, in determining negotiation priorities. That can be a good thing for tourism; more airports are getting involved in local tourism, convention, and community development efforts, so airports can be another way to get tourism’s voice to the table.

Specifically, the government has identified the following priorities (in no particular order):

- Canadian airline and airport priorities and interests;
- Likelihood and extent of new Canadian and foreign carrier services, giving preference where early startup of air services is planned;
- Size and maturity of the air transportation markets and potential for future growth;
- Foreign government requests;
- Canada’s international trade objectives;
- Safety and security issues;
- Foreign relations; and
- Bilateral irritants and disputes.

Another hallmark of the new policy is flexibility. That means we will have new tools to match air service to inbound tourism demand; these elements include:

- Open bilateral markets/access (third and fourth freedom rights);
- No limit on the number of airlines permitted to operate;
- No limits on the permitted frequency of service or aircraft type;
- Market-based tariff/pricing regime for bilateral and third-country services;
- Open and flexible regime for the operation of code-sharing services; and

- Unrestricted services to and from third-countries (fifth and sixth freedom rights. For example, a carrier from one country can pick up passengers in a second country before delivering them all to Canada. Carriers set their own prices, based on what the market will bear. A carrier can fly into Canada as frequently as it needs to, without having to wait on a Canadian carrier matching the number of flights.)

Blue Sky won’t change the fundamental structure of Canada’s airline industry. The new policy just loosens the way Canada negotiates reciprocal rights. There are no changes (for now) to rules about foreign ownership of Canadian carriers, multilateral negotiations, or any advancement on the idea of a true “Common Aviation Area” in North America – a Free Trade of the Air.

But the changes that have been made are good ones. The old way that we negotiated air rights was mired in the thinking of the 1960s, when airlines were state-operated, when the trading world was smaller, when Canada was thought of as a bit of a backwater. None of that is true any more.

With Blue Sky, we finally have a policy that meets the needs of today’s economic reality, not yesterday’s nostalgia. Overdue? Yes. But very, very welcome.

*Debra Ward is an Ottawa-based tourism and transportation industry analyst. debra.ward@rogers.com. †*



continued from page 1

**US market continues decline:**

Unfortunately, Canada's US travel market continues to decline, stifled by soaring energy costs, the crumbling US housing market and the slow-down in the US economy. High gasoline prices continue to encourage more Americans to fly rather than drive to their holiday destinations, while at the same time the relatively high cost of flying to Canada creates a distinct price disadvantage compared with US domestic destinations, as well as some European ones. Confusion over passport requirements is only exacerbating these challenges.

The latest Consumer Confidence Survey report by the US Conference Board, Inc. revealed that US travel intentions remained relatively steady in December. Intentions for domestic trips were on par with the previous survey in October, but intentions for trips outside the US had declined. Although consumer confidence appeared to improve in December, it is expected to remain volatile as household budgets react to low savings rates and high debt loads. The Travel Industry Association (TIA) recently predicted that the pace of US travel spending would slow over the winter travel season. The TIA estimated that growth in US travel industry revenues reached 7.5% in 2006, year-over-year, but will slow to 5.3% in 2007.

Interestingly, the TIA's latest *TravelScope* revealed that American weekend getaway trips have increased by 10% in the last five years. The shoulder seasons (April/May and September/October) are the prime times for weekend getaways. The report noted that weekend travellers spend more and participate in more activities than the average leisure traveller, fitting in as much as they can into their short trip.

**Traditional overseas markets disappointing:**

The performance of Canada's traditional overseas tourism markets suggests Canada's traditional European markets have largely matured, offering only modest growth potential. One issue is Canada's price disadvantage in a global marketplace that is increasingly competitive. Yet, the expansion of the global tourism market has also contributed to the emergence and growing

importance of non-traditional tourism markets, such as China. As Toronto expands its role as a key gateway for Chinese visitors, more central and eastern Canadian destinations are gaining access to this rapidly expanding market.

Looking ahead, overall growth in the Canadian tourism industry is expected to stay on the decelerating trend that began in the latter part of 2006. The domestic market is expected to lose some steam, in line with the more subdued outlook for the Canadian economy. Prospects for the US travel market are not expected to improve either;

the first implementation date for new passport requirements was January 23, creating another hurdle for US visits to Canada. Meanwhile, the slowing European economy and the increase in the value added tax in Germany will likely limit growth and deter a strong recovery in overseas visits to Canada this year. On the bright side, the recent open-skies agreement between Canada and the UK, and the Canadian government's plans to liberalize its air service agreements, have helped improve the outlook for Canada's overseas markets over the medium and long term. †

**Tourism leading indicator index – summary table**

*Because of the constantly evolving nature of today's travel environment, it is increasingly important to be able to anticipate fluctuations in travel demand, in order to make better business decisions. The Tourism Leading Indicator Index provides insights into the near-term outlook for the tourism industry, by tracking the progress of the economic and non-economic factors that affect travel demand from Canada's key tourism markets, including the domestic market.*

*The rating for each component of the index indicates how that component is expected to affect travel from the source market over the near term. Meanwhile, the overall rating indicates the expected performance of the source market in the near term, relative to the same time period in the previous year.*

Economic Factors			Non-Economic Factors		Overall Tourism Leading Indicator
Travel Market	General Economic Trend	Price Competitiveness	Traveller Trends (to/within Canada)	Supplier Trends (to/within Canada)	For travel to/within Canada
Domestic	▲	◆	▲	◆	+
U.S.	◆	▼	▼▼	▲	-
U.K.	▲	▼	▼	▲	●
France	◆	◆	▲	▲	+
Germany	◆	▼	▼	◆	-
Mexico	▲	▼	▲▲	▲	+
Japan	▼	▼▼	▼	◆	-
Korea	▲	▼	▲	◆	+
China	▲▲▲	▲	▲▲	▲	+++
Australia	▲	▼	◆	▼	●

**Ratings Key:**

**Economic Factors and Non-Economic Factors:** Range from ▲▲▲ (significantly adds to demand) to ▼▼▼ (significantly impedes demand). ◆ represents neutral effect on demand.

**Overall Tourism Leading Indicator:** Ranges from +++ (significantly improving) to --- (significantly deteriorating). ● represents no change.

**Trends for 2007 – a consultancy perspective**

Demand for leisure travel services will continue to outpace demand for business travel services, and family travel (adults with children) will continue to grow at a faster rate than all other forms of leisure travel, according to a number of predictions for 2007 made by marketing and public relations firm Yesawich, Pepperdine, Brown & Russell (YPBR) in its 2006 e-newsletter. The agency also projects that practically all travel suppliers will attempt to raise fares and/or rates.

YPBR also expects the internet will continue to dominate the headlines about travel planning and booking; however, the incidence of internet usage by both business and leisure travellers to plan

some aspect of travel is expected to remain flat, while the incidence of its usage to actually book reservations will continue to grow (but at a significantly lower rate than we have observed during the past three years). Comparison shopping of suppliers' fares and rates (and the corresponding "price transparency") will become more commonplace as consumers discover the power of the nascent meta search engines such as kayak.com, qixo.com and the like.

The new "lifestyle" hotel brands, such as NYLO and ALOFT, will continue to gain both exposure and popularity among the next generation of travellers (the "Millennials"), and the concept of

"inclusive pricing" (one price for a bundle of basic services) will grow in popularity beyond destination resorts to include commercial hotels.

The agency projects that interest in spa-going will continue to grow as more consumers seek ways to manage the mounting stress in their lives, the cruise industry will continue to enjoy remarkable growth, the new .travel internet domain will continue to grow in popularity as suppliers seek to market their products and services in a more refined online environment, and in general (barring the impact of any catastrophic political, economic, social or terrorist event in the months ahead), 2007 should be another year for the record books! †



# CTC tourism snapshot November 2006

A focus on the key markets in which the CTC and its partners are active

## Key highlights

- In November 2006, visits from CTC's key overseas markets decreased 1.8%. Notable, South Korea and France posted their highest increases of the year (+23% and +10%, respectively).
- Trips from the U.S. posted its lowest rate of decline (-1.8%) since April 2006. Non-automobile trips have stabilized (-0.1%) while non-automobile trips have fallen 4.3%.
- Survey data shows Canadian occupancy rates decreasing slightly in November (-1.5%), however, still above the levels achieved in 2001-2004.

## Tourism review

### International trips

- This month, international travellers made almost 900,000 overnight trips to Canada, a decline of -1.5% over November 2005.
- Year-to-date, international visits to Canada declined 3.5%. Canada's key overseas markets declined at a slower rate (-1.2%).
- Trips by non-US countries increased for the third consecutive year to reach 4.1 million trips in Jan.-Nov. 2006. Non-US trips accounted for 24% of total international trips to Canada (up from 19% in 2002).
- Regionally, Canada saw slight declines from Oceania (-1.8%) and Europe (-1.7%) during the Jan.-Nov. 2006 period.
- For the Jan.-Nov. period, China posted the largest growth rate (+23.6%), followed by Mexico (+10.6%). South Korea and France also posted healthy gains of 6.9% and 2.8%, respectively. Japan and Germany posted the largest declines (-8.1% and -7.7%, respectively).

### United States

- In November 2006, overnight trips from the US decreased 1.8% – the lowest rate of decline since April 2006.
- Automobile trips have stabilized (-0.1%) while plane trips have declined (-3.8%). Following a rebound in 2005, 'other trips' have posted a decline in November (-6.9%).
- For the period Jan.-Nov. 2006, US visits fell 4.7% below the same period in 2005. US trips to Newfoundland and P.E.I. once again posted double-digit increases (+22% and +20% respectively), while U.S. trips to all other provinces decreased.
- Year-to-date, US plane trips fell 2.1% to reach 3.6 million – about 81,000 trips below the high in 2004, however, above the levels achieved during the 1997-2003 period. 'Other trips' to Canada fell 5.3% to reach 1.6 million – surpassing the low in 2004 by about 139,000 trips. Automobile trips to Canada declined by 5.7% to reach 7.8 million trips – a four-year low.

### Overseas key markets

- In Nov. 2006, South Korea, Mexico, and France posted double-digit increases of 23.4%, 13.9%, and 10.2%, respectively – Notable, South Korea and France posted their largest increases of 2006. Japan (-19.5%) posted the largest decline.
- In contrast to the 8% increase registered in Jan.-Nov. 2005, visits from overseas key markets decreased 1.2% to reach 2.5 million visits, but still above the levels achieved in 2002, 2003, and 2004.
- For the Jan.-Nov. period, China posted the largest growth rate (+23.6%), followed by Mexico (+10.6%). South Korea and France also posted healthy gains of 6.9% and 2.8%, respectively. Japan and Germany posted the largest declines (-8.1% and -7.7%, respectively).

### Share of entry

- Year-to-date, 12.9 million US residents visited Canada, accounting for 84% of the total visitors from our key markets. 50% were automobile trips (down from 57% in 2002) and 33% were non-auto trips (up from 30% in 2002).
- Visitors from our key Europe/Latin America markets totaled 1.6 million, accounting for 11% of the total. 0.9 million visitors from Asia/Pacific key markets visited Canada, accounting for 6% of total tourists from overseas key markets.
- Asia/Pacific and Europe/Latin America key markets have gained share of entry over the US, reaching a 5-year high (16.2%) in Jan.-Nov. 2006 – up 3.5 percentage points from 2002.

## Overnight trips to Canada

	November 2006	06/05 Nov % change	Jan-Nov 2006	Year-to-date % change
<b>United States</b>				
Automobile	404,402	-0.1	7,788,355	-5.7
Plane	232,042	-3.8	3,561,769	-2.1
Other	40,206	-6.9	1,568,340	-5.3
<b>US Total</b>	<b>676,650</b>	<b>-1.8</b>	<b>12,918,464</b>	<b>-4.7</b>
<b>Europe/Latin America Key Markets</b>				
France	12,983	10.2	344,342	2.8
Germany	10,195	-8.6	287,714	-7.7
UK	31,759	-2.6	806,227	-4.4
Mexico	8,479	13.9	192,687	10.6
<b>Asia/Pacific Key Markets</b>				
China	10,153	5.5	134,899	23.6
Japan	19,632	-19.5	369,543	-8.1
South Korea	9,899	23.4	179,521	6.9
Australia	7,692	-1.7	181,720	-1.6
<b>Overseas Key Markets</b>	<b>110,792</b>	<b>-1.8</b>	<b>2,496,653</b>	<b>-1.2</b>
<b>As % of Key Markets and US</b>	<b>14.1</b>		<b>16.2</b>	
Other Countries	81,964	1.8	1,617,462	3.2
<b>Total Non-US Countries</b>	<b>192,756</b>	<b>-0.3</b>	<b>4,114,115</b>	<b>0.5</b>
<b>Total Countries</b>	<b>869,406</b>	<b>-1.5</b>	<b>17,032,579</b>	<b>-3.5</b>

Note: Statistics Canada preliminary estimates. Source: Statistics Canada, *International Travel Survey*.

## Competitive Review

### International travel, January-September 2006 (in 000s)

	Canada		United States		Australia		United Kingdom	
Trips from:	#	06/05 change	#	06/05 change	#	06/05 change	#	06/05 change
US	11,279	-5	—	—	341	2	2,914	7
<b>Total Intl</b>	<b>14,868</b>	<b>-4</b>	<b>32,900</b>	<b>5</b>	<b>3,920</b>	<b>-1</b>	<b>24,710</b>	<b>8</b>
<b>Other Key Markets</b>								
France	300	3	584	-14	48	8	2,905	12
Germany	257	-7	1,048	-3	103	2	2,669	4
UK	713	-5	3,076	-4	465	-1	—	—
Mexico	172	10	4,147	28	—	—	63	2
China	111	27	350	12	227	8	99	9
Japan	304	-7	2,784	-5	482	-5	255	-3
S. Korea	155	5	590	7	184	-1	—	—
Australia	163	-2	453	5	—	—	722	-3
Canada	—	—	12,600	7	78	8	687	9
<b>Total Key Markets</b>	<b>13,454</b>	<b>-5</b>	<b>25,632</b>	<b>6</b>	<b>1,929</b>	<b>0</b>	<b>10,314</b>	<b>7</b>

— Not applicable or data not available.

Notes: US figures for China includes Hong Kong, SAR; US figures for Mexico include arrivals to interior only. Sources: Statistics Canada; Australian Bureau of Statistics; National Statistics (UK); and TIA, Office of Travel and Tourism Industries.

## Competitive Review

- During the January to September period, Canada registered poorer performance than its key competitors, with international trips dropping 4%; whereas the UK and the US increased respectively by 8% and 5% and Australia registered a more moderate decline of 1%. Canada saw a better performance from China (+27%) than competitor countries; however, while visits from the US dropped 5% visits to the UK increased by 7%.
- The US experienced significant growth from Mexico. Trips from China, South Korea, Canada and Australia also posted healthy gains. The increases were partially offset by a large decline from France, Japan UK and Germany.

Tourism Snapshot is available in its entirety at [www.canada.travel/research](http://www.canada.travel/research)




## CTC unveils new visual identity

In January, the Canadian Tourism Commission (CTC) unveiled the new Brand Canada visual identity in Canada and in the CTC's nine international markets. The new identity promotes Canada as a progressive, vibrant nation "full of people, culture, colour, nightlife, art, architecture, shopping, music, culinary traditions, fashion, and of course, stunning scenery and adventure."

The brand is crafted to differentiate Canada and turn us into a must-see-now destination. Tourism is one of the most competitive and fastest-growing industries in the world and destinations are becoming increasingly aggressive in their marketing efforts to attract customers. The new visual identity will help Canada stand out by shining a light on what's unique and best-in-class in our country.

"We are taking tourism destination marketing to new heights," says Michele McKenzie, CTC president and CEO. "Single global concepts are common in the marketing of other products, such as cars and consumer goods. In our industry, it's rare," she points out. "We're asking, 'why not use the same approach with national tourism organizations?'"

The new visual identity will act as shorthand for consumers, enabling them to quickly understand and identify the values of the brand as well as spark travellers' decisions to travel to Canada – now! Canada is the brand, and "Keep exploring" is the tagline; the brand promise to tourists is "Come to Canada and create extra-ordinary stories all your own."

For more information, visit [www.canada.travel/brand](http://www.canada.travel/brand), and browse Brand Canada images. 

## Brand "multi-tool" is ready!

Crafting a brand identity so vibrant it will work globally could well be the most ambitious project the Canadian Tourism Commission (CTC) has undertaken to date. Marketing partners are already contacting the CTC to see if this "new skin" will fit them, as they look for ways to integrate it into their current marketing activities. Brochures, a travel magazine, ad campaigns, posters, and even something as fundamental as a corporate identity are being considered.

Travel Alberta is one of the first DMOs to apply the new colour palette, logo, stylized patterns and border. The organization worked with its partners to produce a brilliant edition of the province's 2007 vacation, accommodation and campground guides; these are key in-market publications for the province's tourism industry, and Travel Alberta director of communications Don Boynton is rather proud of the way things gelled: "We used the new brand's border elements with some background illustrations, and the Keep Exploring logo with the maple leaf right on the cover," he says. "We are quite pleased with the results."

Don Boynton is candid when he describes Travel Alberta's reasons for embracing the brand so wholeheartedly: "We saw great equity from this destination in the Canada brand and certainly, we wanted to employ it. In our experience, Canada is better known (certainly internationally) than Alberta as a brand. Since the introduction of the brand a couple of years ago, the marketing direction from our industry-led Strategic Tourism Marketing Council was to embrace the concept. Indeed, in our current strategic marketing plan, one of our priorities is to develop an Alberta brand that will integrate seamlessly with – and support – the Canada brand to reflect Alberta's tourism experiences, while remaining inclusive of all the strategic interests of the province's regions."

Boynton's comments have been valuable to the CTC; marketing teams from both partners had to find common ground on which to build synergy around aspects such as the choice of an appropriate colour from the palette. As he puts it himself, "it is all very fresh right now; I am not sure that we even have consumer feedback on this yet, but by all accounts, it catches people's attention and integrates well with our look and feel."

In the industry, some may ask: "if we adopt this brand aren't we running the risk of losing our own distinctive identity?" It is a valid question, says the CTC's Gisèle Danis: "The answer is simple. Just adopt what you can; it must feel right for you. All we are saying is that there is an opportunity for our partners to tap into this."


Danis continues: "Bear in mind that if you ever use the word Canada in your marketing efforts, you can have access to our version of the logo that has been researched and audience-tested. If you are going to develop an overseas campaign, why not use our font and stylized maple leaf; grab the approved, trademarked, national Band Canada logo and use it!"

In all CTC markets, there is a perceptible rise in the energy level around the new brand. The CTC's executive director of marketing for Europe and Latin America, Sylvie Lafleur, has been waiting for this moment with anticipation: "My team and I welcome the fact that the creative elements which are the product of our brand strategy are now launched. We are active in the UK, German, French and Mexican markets, where our research indicates Canada is perceived as a rather unexciting destination where there are relatively few things to do. We would like to change that, and the new brand identity gives us the resources to communicate that dynamic, audacious, creative and spirited character which makes up the Canadian tourism experience of today."

Lafleur recounts how the launch last year of the strategy behind the Keep Exploring brand identity has yielded very good results in the markets she looks after: "We have seen this in the evaluations we carried out. We are in the market with Brand Canada as of January 15, 2007; we slightly delayed our own launch in UK and German markets to coincide with the official launch, to maximize the impact of all the creative elements associated with the new brand identity. We are confident consumers will react well, and we have the support of our Canadian partners, who were part of the whole development phase. We believe there is substantial support for this initiative within the industry."

To facilitate deployment of the new brand resources, the CTC has created a comprehensive partner guidelines kit telling the story of Brand Canada. It gives people access to the colour palette and the other elements of the brand so they can explore the imagery, assess suitable applications, and adopt Brand Canada in their existing brand if it enhances the value. The Brand Canada Tool Kit is available online at <http://www.corporate.canada.travel/en/ca/mediacentre/brandtoolkit/index.html> and contact information for resource people is provided at [www.canada.travel](http://www.canada.travel).

Small and medium-sized businesses now have the equivalent of a turnkey brand solution at their disposal. "We want to share this identity with you," says Danis. "We want to harness the efforts of the nation's tourism players into a cohesive tactical solution that will excel at selling Canada to consumers."

There is no official agreement to sign if the Brand Canada resources are used, but the CTC team does request users contact the CTC so they can start tracking how the brand is being used. "We wish simply to guide you along," she continues. "We want to build a relationship with you in the process. There will be a learning curve as we grow together, of course, and we have established a CTC Global Brand Integration unit to help manage that journey. So, have a go at it, and let's harmonize our efforts to create the kind of best practices in selling Canada that will make the envy of destinations around the world." 





# Building on the China potential

The first eleven months of 2006 have seen travel from China to Canada increase 24% over the same period in 2005 last. In 2005, an estimated 113,000 Chinese visited Canada – which in turn was up 19% from 2004. These are impressive gains; the Canadian Tourism Commission (CTC) understands the potential and is committed to succeeding in the Chinese market. Negotiations between the Canadian and Chinese governments to achieve approved destination status (ADS) for Canada continue, but even without ADS, the CTC expects to see continued growth of at least 15% annually.


The CTC, together with partners Tourism BC, Alberta Economic Development, and the Ontario Tourism Marketing Partnership, have provided new market intelligence on China's consumers and travel trade. Based on the new research results showing there is high demand for Canadian tourism products in China, the CTC will reach out to Chinese consumers with every marketing tactic that's allowed by the Chinese government. The CTC opened a national marketing office in Beijing last year to leverage opportunities in the market, and is engaging in activities like travel agent training, media familiarization tours to Canada, trade shows, and the development of publications. The CTC has also launched a dedicated website for Chinese consumers, which they can access through the [www.Canada.travel](http://www.Canada.travel) internet portal.

The new research results also show the importance of understanding the needs of the discerning Chinese traveller (the potential market for Chinese pleasure travel outside Asia is estimated at 2.8 million). Some key points for consideration by businesses and destinations considering the China market include:

- Chinese tend to take short trips (7 – 10 days) that often span the country, with most travellers visiting both BC and Ontario.
- Canada is viewed at delivering good value at a reasonable price.
- Focus on Guangzhou and Shanghai as they have the greatest potential, are the most primed and most easily converted into buyers.
- Focus on generalized tour products rather than speciality travel experiences.
- Target older, more affluent Chinese as well as younger professionals.
- Small extras would be perceived as adding value to travel products, as long as it is clear to travellers that they are free of charge (e.g. free airport pick-up, complimentary dinner or special receptions, admission tickets or discount coupons to major attractions, complimentary upgrades, and small gifts or mementos).

Tourism industry will require special training to help it understand cultural differences, quality standards and special requirements of Chinese travellers. For example:

- Four-star hotels are considered ideal.
- Majority of meals should consist of Chinese food; however, several meals should reflect local specialties to satisfy curiosity about local flavours.
- Tour itineraries should be compacted to include as many famous cities, attractions, and landmarks as possible.
- A tour manager speaking the right Chinese dialect should stay with the group for the entire trip.
- Chinese travellers enjoy having entertainment at night, so care should be taken to present several options to satisfy different tastes.


The full report is available at [www.canada.travel/research](http://www.canada.travel/research). 

## Canada the star at Toronto event

When the Professional Convention Management Association (PCMA) gets together, it is big business. For the first time in its history, the organization held its annual convention outside the United States in early January, and Canada put on an incredible show for delegates in Toronto, according to Leigh Wintz, the executive director of Philadelphia-based Sorooptimist International of the Americas:

"PCMA's Annual Meeting was kicked off with an incredible opening reception hosted by Canada. The event was the perfect mix of music, food and beverage that really showcased the country and provided a great networking opportunity for the attendees. The rest of the week in Toronto was just as superlative – the city really rolled out the red carpet. PCMA's first meeting held outside the US was a true success... start to finish!"

The CTC's executive director, meeting, convention and incentive travel sales in the US, Dan Melesurgo, explains why Wintz's comments are so valuable for the Canadian meetings and conventions sector as a whole: "The PCMA brings together many CEOs and senior level meeting planners who have a huge influence in determining where meetings and conventions are held. Some 3100 delegates attended the Toronto event, including both meeting planners and suppliers; at the end of the day, there were almost 1000 participants on the meeting side. These executives control so many pieces of business; that is where we see the benefit, in the quality of participants."

From the CTC's perspective, the entire country really came together and supported the effort. "Client, partner and competitor's feedback were all extremely positive. Many people said we have set the new industry standard for an opening reception – it was that spectacular! I believe it exceeded PCMA's expectations by far, and it certainly exceeded our own expectations," Melesurgo concludes. 

## Building a tourism relationship with China

The CTC office in Beijing is aggressively using every opportunity available to reach Chinese consumers. Derek Galpin, the CTC's managing director in China, explains: "Because Canada does not have approved destination status (ADS) at the moment, we must work under restrictions that prevent us from advertising directly to consumers; travel agencies can't advertise and promote tours to Canada. While the restrictions are significant, we are allowed to organize FAM tours. Our efforts are therefore focused on sending Chinese media to Canada; they come back and report in the various publications they represent, and we are also authorized to sponsor some advertorials in tourism magazines. That is how we reach consumers."

"We do FAMs with travel agents as well – around one every month," says Galpin. "We also participate in as many of the major trade shows as we can. Among them, we attended China International Travel Mart (CITM) in Shanghai in November, which is the largest trade show in Asia. And, we are combining and packaging two events in the spring which will maximize exposure of Canadian products and organizations in China. The Guangzhou International Travel Fair (March 30 through April 1) will have a two-day trade component and a one-day consumer show in the fastest growing city in China, with a metropolitan area of over 12 million people and an airport that now rivals Hong Kong's in terms of volume. "Canada will have the largest pavilion at the show," explains Galpin.

The other event of this package of opportunities is a distinctive trade experience served under the theme *Showcase Canada* running April 3 to April 7. "The CTC- China has chartered a 5-star cruise ship on the Yangtze River for a 3-day Three Gorges Cruise," Galpin explains. "Canadian partners will be able to participate in pre-scheduled B2B appointments and enjoy an unrivalled opportunity to network and build relationships with the leading travel agencies in China."





# Marketing 101 for small inns and hotels

**M**arketing is never an easy undertaking, especially for small inns and hotels with limited time and budgets. While the following does not provide an exhaustive list of advice, options and how-tos, it does offer a checklist of various suggestions for improving visibility. The report was prepared by Michèle Laliberté of the Tourism Intelligence Network of the ESG-UQAM Chair in Tourism (University of Quebec at Montréal).

## Turn an improvised strategy into an effective one

Starting with some general information (e.g. the typical guest at a small inn or hotel is a leisure tourist who has selected this type of lodging for its ambience and personalized service, and more often than not, these customers reserve by phone) and doing a little background work (defining the target audience, determine distinctive features, etc.), a business can begin the marketing process. Simply check off the appropriate boxes in table 1.

## Exploiting the opportunities of the internet


Although the internet is not currently the means by which most small inn and hotel guests make their reservations, it is still a primary source of information. More and more people are automatically turning to the Web when they need to find or recommend a place to stay.

While the internet offers a sea of opportunities, there is also the danger of drowning in it. For this reason it is not enough to have a Web presence; the site must also be searchable. However, understanding how search engines work is a complex task requiring time and expertise. At the same time, because these engines evolve and change along with the competition's positioning, there must be a strategy for periodically reviewing the process. Trying to compete with the major players on their own territory is a waste of time, so small inns and hotels are better off using other methods. Instead of associating the site with the most popular terms typed into search engines, focus on those used by the target audience. For example, many such people will refine a search by typing "Saguenay inn" rather than "Quebec hotel." Another option is to sponsor a link on the search result page of a local festival. The wonderful world of the Web is at your service (see table 2).

## Improve and assess the effectiveness of methods used

Once again, to make a product stand out from competing major hotel chains, one must innovate and adopt original presentation methods (visuals, ways of communicating, etc.).

- Clearly define the target audience so reach it effectively
- Develop a specific niche (such as family parties, company activities, honeymoons, special events, etc.)
- Establish partnerships with companies – even those outside the industry – to develop an unusual product or innovative marketing strategy

To measure the validity of promotional efforts and retain only the most effective measures, ask guests where they found about the establishment and how they made their reservation. 

**Table 1**  
**Traditional marketing**

<b>Promotional activities – Enhance the establishment's visibility</b>
<input type="checkbox"/> Guidebooks – free listings, paid advertising
<input type="checkbox"/> Local publications – free listings or paid advertising (newspapers, magazines, chamber of commerce guides, local associations, bulletin boards)
<input type="checkbox"/> Media – press releases to announce partnerships, upgrades, awards, events to be held in the establishment, press conferences
<input type="checkbox"/> Travel publication editors – promotional materials, materials highlighting the establishment
<input type="checkbox"/> Travel writers – brochures and press kits (advertising on the services offered, postcards picturing the establishment, recipes often requested by customers)
<input type="checkbox"/> Signs and visual displays
<input type="checkbox"/> Insert coupons into advertising (an efficient way to track customers and evaluate effectiveness of advertising, discounts, promotions, contests etc.)
<b>On-site activities – Welcome potential guests</b>
<input type="checkbox"/> House tours – open-house events to present the building's historic and/or architectural value, if applicable
<input type="checkbox"/> Receptions – drinks and treats, special bedtime snacks, events to promote regional products
<input type="checkbox"/> Promotions – highlighting various services and extras, workshops (on writing, special themes), special events (concerts, lectures, etc.)
<input type="checkbox"/> Tourist information – regional guides and maps, activities, sites and places of interest, etc.
<input type="checkbox"/> Special invitations – cocktail receptions, snacks, etc.
<b>Local community ties – Participate and cooperate</b>
<input type="checkbox"/> Local activities – participate in or support local organizations
<input type="checkbox"/> Social activities – sponsor or donate to an event, participate in community events, offer special rates for a particular event
<input type="checkbox"/> Referrals – advertise to businesses that could generate customers (e.g., companies who receive out-of-town business clients, hospitals [patients' families], schools [guest professors, graduations, sporting events], etc.)
<b>Agreements with third parties – Investigate potential for exchanges, marketing opportunities, package deals</b>
<input type="checkbox"/> Tour operators
<input type="checkbox"/> Travel agents
<input type="checkbox"/> Lodging associations and affiliate networks
<input type="checkbox"/> Businesses that cater to tourists (spas, restaurants, professional tour guides, museums, car rental companies, etc.)
<input type="checkbox"/> Hotels – coordinate advertising and activities, cooperate to take on overflow, exchange complementary services
<b>Destination management organizations (DMOs) and own guests – Develop partnerships and agreements</b>
<input type="checkbox"/> DMOs – active at various levels (become a member)
<input type="checkbox"/> Visitor information centres
<input type="checkbox"/> Current and prospective guests – develop a database, loyalty program, promotions (anniversaries, fall colours), establish a relationship with customers (send personalized messages) to multiply word-of-mouth recommendations

**Table 2**  
**"Online" marketing**

<b>Online directory services – Know how to use them</b>
<input type="checkbox"/> Hotel directories – register on free and fee-based sites
<input type="checkbox"/> Regional directories
<b>Website – Create a window on the Web</b>
<input type="checkbox"/> Attractive site – clear, succinct information (minimum: photos, rates and reservation method), easy to navigate and use
<input type="checkbox"/> Reservation method – online reservations, online form, email, telephone
<input type="checkbox"/> Site maintenance – update information, special launches, new visuals, new strategies
<input type="checkbox"/> Site-use statistics (number of hits, source tracking, navigation behaviour analysis, reservation conversion rate, performance monitoring of promotional campaigns)
<b>Third parties – Assess different business models (customer base, membership fees, monitoring and freezing room inventory, commissions, rate changes, etc.)</b>
<input type="checkbox"/> Destination management organizations – various levels (provincial, regional, local)
<input type="checkbox"/> Tourism portals <a href="http://www.gitescanada.com">www.gitescanada.com</a> , <a href="http://www.quebecreservation.com">www.quebecreservation.com</a> , <a href="http://www.hospitality-canada.com">www.hospitality-canada.com</a>
<input type="checkbox"/> Commercial associations – affiliation with a marketing banner
<b>Search engines – Understand how search engines operate</b>
<input type="checkbox"/> Work with a professional to develop an internet visibility strategy
<input type="checkbox"/> Check how the site and those of the competition perform in searches
<input type="checkbox"/> Establish partnerships so links to the site appear on third-party sites
<b>Search engine marketing – Consider...</b>
<input type="checkbox"/> Sponsored links for search result pages
<b>Email marketing – Develop a strategy</b>
<input type="checkbox"/> Build a relationship with customers by sending personalized advertising
<input type="checkbox"/> Organize a contest or promotion using viral Web marketing
<input type="checkbox"/> Provide prompt, personalized responses to information requests
<b>Web 2.0 – Become familiar with this new reality</b>
<input type="checkbox"/> Learn about blogs, RSS feeds, social networking, discussion forums dealing with tourism and products (perhaps yours!)

## Sources:

- Carroll, William J. et al. "A Comprehensive Guide to Merchandising Bed and Breakfast Inns," Cornell University, School of Hotel Administration, The Center for Hospitality Research, CHR Tools, No. 8, August 2006.
- Hursh, Patricia. "Winning Big with a Small Search Marketing Budget," [searchenginewatch.com], August 28, 2006.

[www.veilletourisme.ca](http://www.veilletourisme.ca)



# Ontario: destination for Quebecers

For generations, eastern Canadians heading west by road have been faced with two choices. They could follow the Trans-Canada Highway's southern route through Sudbury and Sault Ste. Marie, or take the northern route through Quebec's Abitibi region and across Ontario (thereby increasing substantially the risk of hitting a wandering moose at night.) Until Nicole Guertin started working her magic a few years ago, Kapuskasing was little more than a place for bleary-eyed travellers to stop for gas and get a quick bite to eat.

Guertin has provided the impetus for the development of "Destination Nord de l'Ontario", a DMO that aimed to increase awareness of Northern Ontario destinations among Quebecers who might otherwise overlook the province because of perceived linguistic barriers. The DMO would later morph into "Direction Ontario", which has broadened its mandate to develop Francophone tourism throughout Ontario. Guertin explains: "The organization has practically the same mandate as Destination Nord, but it works at the provincial level. It makes it much easier to develop relationships with government agencies because now we cover the entire province. One of our most noteworthy initiatives is our tourism guide, which is funded in good part by the province."

Guertin describes herself as a social entrepreneur. Trained as a nurse, and culturally geared to appreciate the contributions businesses make to communities, she embodies the best of civic activism and economic development know-how. Guertin's main achievement may be that she has managed to convince municipal, provincial and federal government agencies to let her and her group come up with the right made-in-Ontario solutions to generating new overnight stays by Quebecers in Ontario. "I could see that tourism decision-makers were not considering Quebec and Ontario Francophones as a valuable market segment. Even as recently as two years ago, France was not even a target market for Ontario. Similarly, as recently as 2003, Quebec was not even one of the 10 priority markets for Ontario, which I thought was incredible. With the war in Iraq and SARS, perceptions changed, especially when we started to share some of the results we were getting."

Quebeckers have been exploring New Brunswick, Prince Edward Island and the Magdalen Islands for years now. It is only normal to expect them to turn their sights west to Ontario sooner or later. Guertin believed that – for starters – it could be as simple as making Quebecers aware of just how easy it is to find tourism operations where service in French is available.

"We had access to funds from Industry Canada, through FedNor, and from the province through the Northern Ontario Heritage Fund. In the North, we are facing some challenges with the forestry sector struggling and mills closing. We have managed to bring back many young people to the north, partly as a result of our efforts, and

there is a new ray of hope in terms of how we can build a service industry in a non-traditional setting for northern Ontario."

Guertin manages a core staff of dedicated employees in whom she has been able to instill some of her own passion. "95% of the group are women. This gender imbalance is not surprising – given Ontario's Francophone community journey – because men traditionally tended to be more active in the forestry and mining sectors, while women tended to have a higher level of education, and were able to open more doors. When people step into our offices they can feel that passion; it emanates from everything we do.

"We are a catalyst and we bring people together under the guidance of a strategy. Our travel guide is one tactic, and by no means a small achievement. We have assembled 1,400 businesses into the guide; this may not seem like that many, but we may have contacted as many as 8,000 businesses across the province, perhaps only 2,000 of which expressed an interest in reaching Francophone markets. We developed a questionnaire with 10 questions like: 'is your web site bilingual? Do you answer inquiries in a bilingual manner?' Just educating the suppliers is a major undertaking."

Direction Ontario awards 1 to 5 trilliums (the Province's official flower) to businesses, depending on the level of service in French that is offered. Through this evaluation, they have discovered that those who have used the trillium system tend to be more satisfied by their travel experience than those who didn't. Guertin comments, "we have never told Quebecers before that there are half a million French-speakers in Ontario, and another 800,000 English speakers who also speak French. Together that makes 1.3 million bilingual people in Ontario."

It is fair to say that Guertin's project has helped broaden horizons in Ontario in term of tapping into the potential of a barely-discovered proximity market. "The people we approach are open," she finds. "They realize they must translate their menu in some establishments. At Wasaga Beach on Georgian Bay, for instance, the local grocery hires bilingual staff because so many people who need bilingual services shop there. During Quebec's two-week construction industry holiday in July, 50% of visitors originate from Quebec. Outside that period, that number is still a substantial 30%."

Guertin and her team are certainly worth keeping an eye on: "In Ontario, the story used to be about the Kingston, Toronto and Niagara corridor. In 2005, 15% of travellers used to go to Georgian Bay area; in 2006 it is 29%. With the "Circuit Champlain" route that we have developed, we are finding a new way to sell Ontario, as the territory of the Great Inland Seas. This is what Samuel de Champlain called the area when he came to Georgian Bay, and it is very fitting. We have tested this at the French and Quebec market levels. You don't have these great spreads of water in Québec; Ontario is unique in the world for its volume of inland waters. This is not just about tracing a route on a map; anybody can



Lake Rémi  
© Brenda Brunelle

do that. It is about having people in local communities taking the kind of ownership of the project that will allow it to thrive."

Not only is Direction Ontario developing a number of these touring routes, the organization is also involved in developing a GPS-activated self-guided tour of Canada. But for the moment, the travel guide remains the most vivid illustration of the group's success. (It can be downloaded from the Ontario Tourism website at [www.ontariotravel.net](http://www.ontariotravel.net).)

"We started in 9<sup>th</sup> position for downloads. In December we were in first place, two and a half times ahead of the guide in English," she claims proudly. "Last year, we invested \$20,000 in advertising, and we have had 4,000 calls generated as a result. We called back 250 of the people who called us in September to see if they ended up coming to Ontario; 57% of them had come to Ontario this summer. Last year it was 44.5%, and the year before, 28%. 99% of these people were from Quebec."

The roots of this success story are in Kapuskasing, a former industrial town better known as the place where General Motors maintains its Cold Weather Development Centre than as a tourism development Mecca. Guertin and her team – and their passion – are changing old perceptions and building new prosperity. **t**

## Who is building the industry in your neighbourhood?

Here is your chance to help us focus the spotlight on individuals and tourism operations that break new ground. In his monthly TOURISM column, associate editor Claude-Jean Harel features exclusive profile of those who help make Canada a destination of choice. You can send your suggestions to [harel.claude-jean@ctc-cct.ca](mailto:harel.claude-jean@ctc-cct.ca). **t**



# Raise the authenticity quotient!

**T**wo articles in the December 2006 edition of *TOURISM Online* (Authenticity – connecting with customers and Developing for authenticity) focused on the importance of providing authentic experiences for tourist clientele. The following article explores how a number of Canadian attractions and businesses address the challenges:

The concept of authenticity is never far from Chris Ladner's thoughts; he is with the Ecomarine Ocean Kayak Centre in Vancouver, and makes a distinction between actual and perceived authenticity: "I think what we sell people is 'perceived' authenticity, because authenticity is tied to the expectations of tourists: if it is sold as a cowboy experience, then that is what people expect."

"Perception tends to be the determinant because what is authentic is subject to so many different parameters," Ladner continues. "What is it that defines an authentic experience? When an interpretative experience is delivered by a person who has been trained to be theatrical, is that really authentic? I don't know. What really appeals to people in the tourism context is genuineness, and I believe you get that from contact with smaller operators."

As examples, Ladner points to lodge owners who actually are ranchers out on the range, or what his own company provides (his guides are people who are passionate paddlers). They talk authoritatively, and Ladner feels it is the way they present themselves that matters. "The reason guides work as guides is because they want to share; they have such a great time paddling and exploring the natural world, and that passion shows when they are talking to a group of people," he says. "That is what people look for."

At the other end of the country, in the Québec City region, Jean-François Verret runs *Aventure Inukshuk* at the *Station touristique Duchesnay*, which offers dog sledding experiences to those who seek an alternative way to appreciate winter. He has given much thought to the significance of authenticity, and feels this is rooted – above all – in business honesty. "We must be able to state the limits of what we can do for customers; be able to say 'I don't know' when we don't know the answer to their questions. From that moment on, authenticity becomes more easily expressed through small things. And authenticity is not just about featuring ancestral traditions; it also means reflecting today's reality."

There is room to impart a greater sense of authenticity into larger scale operations as well, argues Steve Vallevand, vice-president of operations for *CHIP Hospitality* for the Southwest region (Vancouver, Southern Alberta and Saskatchewan). "When guests are staying in Calgary, they should be able to get a sense of what Calgary is about. The hotel might serve local food, or some locally-brewed beer, but better yet would be a signature item that is essential to the experience of the host city's hospitality. I would imagine that if you are in a high-demand tourism location like Québec City or Banff, authenticity likely requires you to have very knowledgeable staff who can tell you how to experience the destination to its fullest."

"We really try to ensure each one of our hotels across Canada has a distinctive feel that reinforces a sense of place for the host city. In Regina, the art work we put in our guest bedrooms has a prairie rural theme. In Canmore, it is the mountain theme that is expressed in the artwork, and the design of the furniture itself makes you realize even more that you are truly in the mountains."

Does Vallevand feel that authenticity will become more and more important as Canada re-brands itself? "Absolutely! It matters to the customer who is looking for an authentic experience, as opposed to a commoditized experience. There is always a demand for the basic room for those who want to spend less, but I think the industry sets itself apart by taking the high road. It is what the majority of our customers expect."

## Can authenticity evolve?

Is authenticity something that can evolve? Ernest Labrègue, who until recently headed the development of the Canadian Tourism Commission's cultural tourism strategy *Packaging the Potential*, makes important distinctions that can help us map the most appropriate course: "I see a notion of past, present and future in authenticity. For me, an authentic product doesn't have to be an exact replica of what used to be."

Labrègue explains: "In September I was invited to experience a new tourism product in the Montréal region, one I expected to be authentic. Three villages had come together to welcome tourists, and I expected to see a product themed around agriculture, mining or the forestry sector. I landed with a family of retirees from Montréal who had built a house of a style that had nothing to do with the village, so I immediately had doubts as to the authenticity of the experience I was going to receive."

"Then, they treated me to a sugar-shack experience that – at first glance – came across as not very interesting, Labrègue recalls, "but I soon realized that, just because they were using contemporary processing equipment, it was not any less authentic. The cooking process had remained a traditional one. After spending 24 hours with them, I realized these operators were authentic in their motivation. So authenticity can be present in a slice of the life lived by your hosts at that particular point in time." †

## Authenticity: of soap and seduction

Heritage tourism specialist Ernest Labrègue notes that we often tend to use the words "folk" and "authentic" interchangeably. For him, authenticity is much more than the "folkloric", and he uses the case of Pierre Pelletier's "Savonnerie Olivier" as an example. This innovative enterprise is one of the member institutions of the growing International Economuseum Network Society, which facilitates encounters between artisans (who work in "cottage craft" production processes) and consumers.

In the heart of Acadia, in Bouctouche, New Brunswick, Pelletier and his wife Isabel created a company with 11 soap making factories, 7 of which are located in Québec.

"We make soap like my grandmother used to," he says. "Of course, we have adapted the process over time, and my wife is a chemist who is quite involved in aromatherapy and the evolution of health products. Therefore we are always evolving as a business, but it is the concept of taking control of one's beauty and wellness on which we focus. We are building on the history of soap and we are now taking this even further through a research and development project – on the story of seduction! That is, how we go about seducing one another and how that has changed through the ages!"

Pelletier knows he and his wife are on the edge of something consumers will find appealing: "We try to educate people on how to make themselves beautiful (well). Our products are among the best in the world and as natural as can be, with organic olive oil, cocoa butter, bee's wax and essential oils as ingredients. And we make the soap right in front of visitors, with demonstrations and explanations."

Each *Savonnerie Olivier* establishment has its own distinctive history stemming from the journey within its host community. As they come in, visitors discover who the person who founded the place is or was; how they came to settle at that particular location; and what resources they used in the manufacturing process.

## More than just sightseeing

**W**hen asked what type of special interest travel is hottest, recently surveyed Americans said that culinary and wine tasting placed first. "People today are looking for more than just sightseeing. They want to indulge their passions, whether it be food, wine, or the outdoors. They want adventure and they want to learn. However they want comfort with their adventure," said Bob Whitley, president of the United States Tour Operators Association (USTOA), which conducted the survey.

As reported by Dave Wilkening in the January 16, 2007 *TravelMole*, and looking longer term to the next five years, survey results predicted that the escorted tour with a modern twist – free time and flexibility – will have the highest growth, followed by special interest and small group travel. Independent packages came in as third most popular in both short and long-term growth projections.

Whitley is quoted as saying the shift in touring preferences is largely driven by the Baby Boomer population. "Their demands are shifting. Baby boomers want group travel that matches their specific needs and interests; they love the idea of soft adventure; and they want to travel in smaller groups. They also want more free time, flexibility and some independence." †



# Kick-starting a destination region

Professional secrets about strategies to achieve tourism goals may be closely guarded in some industries, but the Government of Alberta's Tourism Development & Services Branch was gracious enough to share with *TOURISM* how they have tackled the major challenge of creating a new tourism destination in that province.

Two of the leading proponents of the recently-formed Canadian Badlands region are branch executive director Louise McGillivray and destination & product development director Kevin Crockett. Says McGillivray, "Our colleagues at Travel Alberta, who had been monitoring the evolution of markets like Japan, were constantly being told by buyers that – despite the iconic Rockies – Alberta needed new products and destinations."

Alberta Economic Development has a mandate to work with entrepreneurs and not-for-profit community groups in the province to develop tourism products with a view to dispersing the economic benefits of tourism more broadly across the province. "We interpreted this in the context of wanting to get something happening in Alberta that was capable of generating international attraction," said McGillivray. Her team then looked critically at a number of Alberta's resources and came to the realization that Alberta's badlands region offered the best opportunity to become that international attraction.

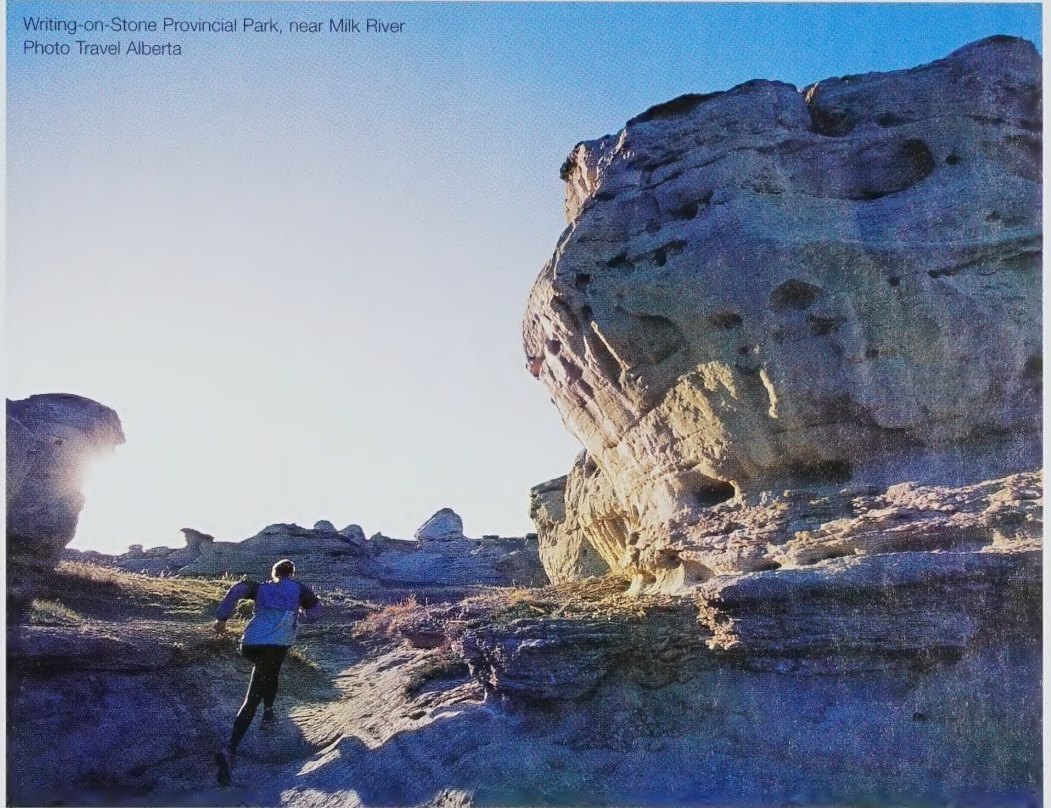
Previous experience had taught McGillivray that for any development to succeed there had to be 'buy-in' from regional communities. She travelled through the region in the summer of 2003, meeting with operators and representatives from seven municipalities to invite interest in a destination tourism project, at the same time carrying out some brand testing around the Canadian Badlands theme.

Kevin Crockett continues the discussion: "That testing helped assess the potential. We tested in virtually all the major markets we thought had the potential to produce visitors – England, Germany, the rest of Canada and the US, particularly in Texas and California. We tested both the brand name (Canadian Badlands) and a multi-themed concept that incorporated other aspects like aboriginal resources, ranching history, and the recreational mix that could be offered in the region."

Crockett believes this new tourism region needed a much broader concept than simply 'badlands and dinosaurs'. The testing yielded convincing arguments to help engage the local municipalities: "This is how they became aware there was more potential than perhaps they initially thought. We also shared with them the view that this region needed to be big geographically (a large area of, in this case, southeastern Alberta)."

The next step would be to establish an official municipal steering committee, enriched with representatives from Travel Alberta and other tourism destination region personnel, that would be tasked with the development of a researched-based strategy to create a multi-faceted, multi-themed destination. "In conjunction with the CTC and one of the local municipalities, explains Crockett, "we undertook an opportunity assessment for the whole area, and as a result of what we learned, we embarked on a series

Writing-on-Stone Provincial Park, near Milk River  
Photo Travel Alberta



of community tourism action planning projects for five sub-regions (groupings of communities) that would make-up the Canadian Badlands."

"This was an important milestone because the municipalities had been brought together and had manifested a will to be part of this," continues Crockett. "They were asking: 'How do we fit in? We are just a little agricultural community'. In my opinion, they really needed that extra research and guidance. Those community strategies were very helpful in getting people mobilized and to understand the Canadian Badlands concept."

Crockett uses as an example to illustrate the progress made by one of the five sub-regions (two municipalities associated with Dinosaur Provincial Park, the Town of Brooks and the County of Newell): "The Park is located 30 km outside of Brooks. We brought together representatives from the municipalities, the local tourism industry (hoteliers and other businesses) and representatives from Dinosaur Provincial Park. The process led to a number of initiatives now being implemented within the area park system, enabling all the players to integrate into the tourism infrastructure."

Louise McGillivray gives details of the changes that occurred: "Years ago, Dinosaur Provincial Park offered guided bus tours into the restricted area of the park, on a first-come, first-served basis. In the height of the season, visitors would get out there and often couldn't get on the bus until 3:00 p.m. People in Brooks knew this, so the normal practice at the time, when someone checked into a hotel, would be to tell them: 'the tours are too busy, you won't get on in until late afternoon, don't bother'. People would get in their cars and keep driving to Calgary. Three things happened: the park didn't get the visitation, the hotel in Brooks didn't get two nights' accommodation, and the visitors didn't get the busexceptional tour experience."

McGillivray says as a result of the discussion initiated by the Canadian Badlands development process, Dinosaur Provincial Park now has a reservation system for its guided tours, and visitors can be assured that if they go to the park, they are going to get the guided tour."

Another step taken was the development of touring routes in the region, adds Kevin Crockett: "Once you get people into that landscape they love it, but the distances between major attractions are a challenge. We hired a consultant who suggested touring routes be developed to tie in secondary attractions between those major stops. That approach 'shortened' distances, while telling stories of the badlands and around the various themes. There were six routes originally; now they are working on six more, focused on historic walking tours and short loop tours in some of the key areas."

It was soon recognized that some form of "champion" organization was necessary to further the development of this new destination. As of August 15, 2006, 35 local municipalities the local municipalities in the 5 sub-regions have come together to form a not-for-profit company called Canadian Badlands Ltd.; which the company is setting out to develop and promote the region as a tourism icon destination.

McGillivray notes, "our department will continue its strong involvement in this initiative (but) if the region is to achieve its full potential, it must become demonstrably driven by the local people." For this to happen, a new entity needed to be created that was capable of accepting money from multiple sources like the government and the private sector. This new company – just out of the starting blocks – will be hiring an executive director to look after administration and help move implementation forward.

For regional information visit:  
[www.canadianbadlands.com](http://www.canadianbadlands.com). t



# SMEs want industry intelligence

The small business sector is usually considered to be the heart of Canada's tourism industry, providing most of the experiences and services that attract visitors to Canada. Indeed, according to the Statistics Canada's national business registry (2005), there are 169,147 tourism-related businesses in Canada, of which 87.5% are classified as small and medium-sized enterprises (SMEs) having fewer than 20 employees.

Alexander Reford, owner/operator of Les Jardins de Métis in Grand-Métis, Quebec, is a member of the board of directors of the Canadian Tourism Commission (CTC) and chair of the board's ad hoc SME committee. He firmly believes the CTC should be focussing more effort in the future on how it communicates key industry intelligence to the SME sector.

"The board members on the committee are determined to make the CTC aware of the necessity of making all its information tools accessible – and meaningful – to SMEs," says Reford. Timeliness is key, too: "That information needs to get out as quickly as possible on a consistent basis, to help us with our marketing decisions," he continues. "We need to be as well-served in this regard as the biggest players in the industry; I am pleased to say the current CTC team is committed to moving forward with this; indeed, the whole "e-strategy" for communications is about tools that can benefit SMEs particularly."

Reford is also clear about the type of intelligence SMEs need: "As a small operator, what interests me most is knowing about trends as they emerge, more than the statistics after they have happened."

The research and development involved in establishing the new Canada Brand has made a difference to how the CTC looks at the small business sector, Reford feels. "I think the Canada Brand exercise has proven to marketers and managers alike that SMEs are the providers of the product, the experiences," he notes. Ideally, now he would like to see a stronger re-connection between the external face of Canada – the brand – and the core products behind the brand.

There is no formal connection between the board's ad hoc SME committee and the CTC's product innovation and enhancement group (PIE), which developed and was responsible for the popular "product club" program. However, Reford thinks there could be some benefit to moving the two closer together: "We are interested in working with PIE as closely as we can," he says, noting that, in many ways, the work of the product clubs was ahead of its time and helped emphasize the importance of the niche experiences provided by the SMEs.

He is philosophical, however, about the current fiscal reality within which the CTC operates: "There is no question that – when we are challenged by declining or stagnant budgets – the capacity for the CTC to fund programs directly targeted for SME's is limited at best." ‡

## Tourism gets new federal champion

The tourism industry has a new profile – and a new champion – in Canada's federal government. Prime Minister Stephen Harper has appointed the Hon. Gerry Ritz as Secretary of State for Small Business and Tourism. The Canadian Tourism Commission (the Crown corporation charged with marketing Canada as a tourism destination) still reports to the Hon. Maxime Bernier, but the appointment of the new Secretary of State is certain to enhance the tourism industry's profile, especially considering 95% of the tourism industry is made up of small and medium sized businesses.

Ritz represents the riding of Battlefords-Lloydminster in Saskatchewan, and has held various parliamentary positions including chair of the Standing Committee on Agriculture and Agri-Food and a member of the Finance and Transport committees. ‡

## People

The Hon. **Maxime Bernier**, Federal Minister responsible for tourism, has announced the appointment of **Liette Lacroix Kenniff** as the national private sector transportation representative on the board of directors for the Canadian Tourism Commission (CTC). Lacroix Kenniff was Canada's Air Travel Complaints Commissioner from 2002 to 2004.

**Carol Hutchins**: director, air service development, Edmonton Airports... **Terry Mundell**: president, Greater Toronto Hotel Association... **Indu Brar**: general manager, The Fairmont Winnipeg... **Becky Bazzard**: junior market analyst, Canadian Tourism Commission... **Tony Gugliotta**: senior vice-president, marketing and commercial development, and **Glenn McCoy**: vice-president of finance and chief financial officer, Vancouver International Airport Authority...

**Irene Lin**: director of sales and marketing, Westin Resort & Spa in Whistler, BC.

**Anthony Everett**: CEO, Northern British Columbia Tourism Association... **Steve Paccagnan**: president and general manager, Kicking Horse Mountain Resort... **Louis-Robert Handfield**: general manager, Hilton Montréal Bonaventure Hotel... **Christiane Thérberge**: president, Association of Canadian Travel Agencies... **Cyndi Penwell**: director of sales, Citadel Halifax Hotel... **Matt Squires**: director of sales, Calgary Tower... **Christopher Spear**: director of sales & marketing, Fairmont Le Manoir Richelieu... **Geneviève Parent**: director of public relations, and **Gina Cuglietta**: director of transient sales, Fairmont Le Château Frontenac.

**Jay Bhander**: senior liaison and finance officer, **Vichy Cheng**: general accountant, **Pennie Poon**: research analyst and **Evelyna Radoslavova**: French translator and editor, Canadian Tourism Commission. ‡

## tourism

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